

PUBLIC SERVICE COMMISSION

Budget Summary						FTE Position Summary				
Fund	2010-11 Adjusted Base	Governor		2011-13 Change Over Base Year Doubled		2010-11	Governor		2012-13 Over 2010-11	
		2011-12	2012-13	Amount	%		2011-12	2012-13	Number	%
FED	\$291,000	\$588,000	\$588,000	\$594,000	102.1%	5.00	5.00	5.00	0.00	0.0%
PR	18,202,900	16,834,800	16,834,800	- 2,736,200	- 7.5	156.00	141.00	141.00	- 15.00	- 9.6
SEG	<u>6,558,300</u>	<u>6,559,100</u>	<u>6,559,100</u>	<u>1,600</u>	0.0	<u>6.00</u>	<u>5.00</u>	<u>5.00</u>	<u>- 1.00</u>	- 16.7
TOTAL	\$25,052,200	\$23,981,900	\$23,981,900	- \$2,140,600	- 4.3%	167.00	151.00	151.00	- 16.00	- 9.6%

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

Governor: Provide standard budget adjustments totaling \$318,900 FED and \$109,000 SEG annually, and \$340,600 PR in 2011-12 and \$317,500 PR and -1.0 PR position in 2012-13. Adjustments are for: (a) turnover reduction (-\$274,900 PR annually); (b) removing noncontinuing elements from the base (-\$23,100 PR and -1.0 PR position in 2012-13); (c) full funding of continuing salaries and fringe benefits (\$318,900 FED, \$597,900 PR, and \$109,000 SEG annually); and (d) full funding of lease costs and directed moves (\$17,600 PR annually).

	Funding	Positions
FED	\$637,800	0.00
PR	658,100	- 1.00
SEG	<u>218,000</u>	<u>0.00</u>
Total	\$1,513,900	- 1.00

2. INCREASE EMPLOYEE CONTRIBUTIONS FOR PENSIONS AND HEALTH INSURANCE

Governor: Delete \$822,500 annually to reflect fringe benefit cost reductions associated with increased state employee contributions for Wisconsin Retirement System (WRS) benefits and health insurance coverage. The reductions would include \$21,900 FED, \$772,400 PR, and \$28,200 SEG. The calculation of retirement savings is based on employee WRS contributions equal to 5.8% of salary. Health insurance cost reductions are based on employees paying an average of approximately 12.6% of total premium costs, compared to the current average of approximately 6% of costs.

FED	- \$43,800
PR	- 1,544,800
SEG	<u>- 56,400</u>
Total	- \$1,645,000

3. ELIMINATE LONG-TERM VACANCIES

Governor: Delete \$1,004,200 (all funds) and 16.00 positions annually to reflect the elimination of long-term vacant positions under the bill. The reductions would include \$924,200 PR and 15.00 PR positions, and \$80,000 SEG and 1.00 SEG positions annually. Funding and position reductions are associated with positions that have been vacant for 12 months or more.

	Funding	Positions
PR	- \$1,848,400	- 15.00
SEG	<u>- 160,000</u>	<u>- 1.00</u>
Total	- \$2,008,400	- 16.00

4. FUNDING REDUCTIONS

PR	- \$24,200
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Governor: Delete \$12,100 PR annually to reduce funding for supplies and services in the stray voltage program appropriation.

5. REPLACEMENT OF CLASSIFIED POSITIONS WITH UNCLASSIFIED POSITIONS

Governor: Delete 3.0 PR classified positions and provide 3.0 PR unclassified positions under the PSC's utility regulation appropriation.

Under 2011 Act 10, 38 classified positions were transferred into the unclassified service to serve as division administrators. Act 10 also redefined "administrators" to include "other managerial positions determined by an appointing authority." The State Budget Office indicates that personnel from three separate employment areas (attorney services positions, communications positions, and legislative liaison positions) would be moved from classified to unclassified service within specified agencies. The revised unclassified positions would be renamed as either chief legal advisors, communications directors, or legislative advisors. Individuals in these unclassified positions would be at will employees appointed by the heads of the respective agencies.

The provisions in the 2011-13 biennial budget bill effectuate the intent of Act 10 in regards to the transfer of classified positions to unclassified positions as recommended by the Governor.

6. OFFICE OF THE COMMISSIONER OF RAILROADS PROJECT POSITION CONVERSION

	Funding	Positions
PR	\$23,100	1.00

Governor: Provide \$23,100 and 1.00 position in 2012-13 to reflect the conversion of an agency liaison project position, which expires on March 31, 2013, to a permanent policy advisor position. The fiscal effect of this item reflects the restoration of funding and a position deleted under standard budget adjustments (removal of noncontinuing elements) upon the expiration of the project position. Total base salary and fringe benefit funding for the position is \$92,400.

7. AUDIT OF UNIVERSAL SERVICE FUND PROGRAMS

Governor: Require the Legislative Audit Bureau (LAB) to annually prepare a financial and performance evaluation audit of at least one program funded by the universal service fund (USF) by June 30 of each year. Direct the LAB to file copies of the audit report with the Chief Clerk of each house of the Legislature, the Governor, DOA, the Legislative Reference Bureau, the Joint Committee on Finance, the Legislative Fiscal Bureau, and the Public Service Commission (PSC). The USF was established to ensure that all state residents receive essential telecommunications capabilities, such as the internet. The USF supports 14 programs, eight of which are administered by the PSC. Current law requires the PSC to obtain an annual independent audit of the USF, and the LAB has performed that function at the request of the Commission.

[Bill Section: 69]